

# CONSUMERwise



The State of New Jersey ■ Office of the Attorney General

[www.NJConsumerAffairs.gov](http://www.NJConsumerAffairs.gov)



Division of Consumer Affairs

## Contractor Crackdown

**Strong Results from Summer Crackdown on Noncompliant Home Improvement Contractors**

NEWARK – With the home improvement season well under-way, the State Division of Consumer Affairs, in partnership with Consumer Affairs Local Assistance offices (CALAs), is continuing its crackdown on unregistered and noncompliant home improvement contractors.

As of the end of May, the Division has assessed \$133,500 in civil penalties against 42 noncompliant contractors. About 60 percent of the contractors solicited home improvement work despite not being registered with the State. The rest were registered, but failed to display their "13VH" registration number, as required by law.

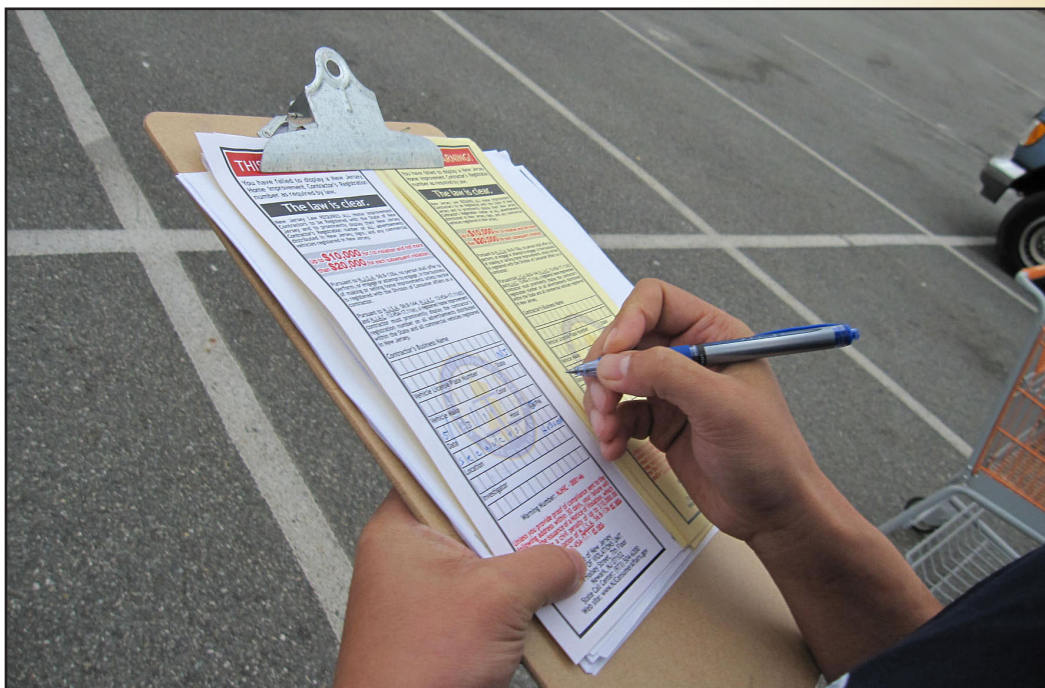
Consumer Affairs investigators using the Teaser Truck – a pickup truck disguised as a home improvement contractor's vehicle – have issued 30-day warnings against a total of 160 contractors who failed to display a registration number on their commercial vehicles. Contractors who receive a warning have 30 days to come into compliance with the New Jersey Contractors' Registration Act. They must either apply for registration as a home improvement contractor or – if already registered – must start displaying their "13VH" registration number on commercial vehicles.

Failure to comply can incur a civil penalty of up to \$10,000 for violating the Contractors' Registration Act. Those who comply within 30 days of receiving the warning, however, will not have to pay.

The Teaser Truck initiative has sought out noncompliant contractors – and its investigators have expressed the Division's thanks to contractors who duly comply with the law – in Camden, Essex, Gloucester, Hudson, Hunterdon, Mercer, Middlesex, Morris, Ocean, Passaic, Somerset, Sussex, and Warren counties.

The statewide effort was developed in direct response to consumer complaints. Its goal is to encourage contractors to comply with the law; create a level playing field for those contractors who are already making the effort to follow the rules; and to remind consumers to protect themselves by making sure the contractors they hire are registered.

The effort is having a measurable effect. So far, of the contractors who have received 30-day warnings since the initiative began in March,



*Pictured below - An investigator from the Office of Consumer Protection writes a warning to a Home Improvement Contractor for not being registered.*

### NEW JERSEY DIVISION OF CONSUMER AFFAIRS

**Thomas R. Calcagni**  
ACTING DIRECTOR



*"As summer nears, Consumer Affairs' staff is already monitoring Home Improvement Contractors as repair and renovation work hits its seasonal zenith. We'll soon be at boardwalk arcades and fairgrounds to make sure Games of Chance really give patrons a fair chance to win prizes."*

[AskConsumerAffairs@dca.lps.state.nj.us](mailto:AskConsumerAffairs@dca.lps.state.nj.us)

**"Those who heed our warning and come into compliance will not have to pay a fine. We will continue this crackdown as a strong message to all contractors operating outside the law." – Thomas R. Calcagni**

39 have come into compliance. In addition, a total of 1,277 home improvement contractors applied for new registrations during March and April – a 19 percent increase over the same period last year.

"Year after year, complaints about crooked contractors perpetually top the list of consumer concerns in New Jersey – with more than 1,400 consumer complaints last year alone.

That's why the Division of Consumer Affairs and our county partners are going on the offensive," Thomas R. Calcagni, Acting Director of the State Division of Consumer Affairs, said. "Those who heed our warning and come into compliance will not have to pay a fine. We will continue this crackdown as a strong message to all contractors operating outside the law." ■



**800-242-5846 ■ [www.NJConsumerAffairs.gov](http://www.NJConsumerAffairs.gov)**

► Click here to Subscribe/Unsubscribe to the newsletter





## Freehold Township High School ★ 2011 Consumer Bowl Winners

**Congratulations to Freehold Township High School** for winning this year's State Consumer Bowl Championship.

More than 90 high schools and 450 students participated in the 15th annual competition. Irvington High School represented northern New Jersey and Moorestown Friends School represented southern New Jersey in the Championship Round.

The Consumer Bowl uses a game-show format to test students' knowledge of consumer rights and related issues. This year's topics included Ponzi schemes and investment fraud, the purchase and leasing of new and used vehicles, regulated businesses such as health clubs, consumers' rights when making retail purchases, and Weights and Measures regulations.

Schools interested in competing in next year's Consumer Bowl competition may contact the N.J. Division of Consumer Affairs at 973-504-6241. ■



Pictured above - The 2011 State Consumer Bowl championship team from Freehold Township High School. Bottom- Runner's up, Irvington High School (left) and Moorestown Friends School (right).



### Bank Investigation

**NEWARK** – **Banco Espirito Santo, S.A.** ("BES"), a Lisbon-based bank, and one of its affiliates, Espirito Santo e Comercial de Lisboa, Inc., in May agreed to pay \$1.9 million in civil penalties to settle an investigation by the New Jersey Bureau of Securities.

The Bureau found that BES, its affiliates, and employees allegedly sold or offered to sell unregistered stocks, bonds, and other securities to existing bank customers in New Jersey via telephone solicitations and direct mailings. The BES representatives and agents making these solicitations also were not registered with the N.J. Bureau of Securities as legally required.

BES will offer rescission of the securities it sold to the estimated 1,393 affected investors. ■

### Doctor Misconduct Cited

**TRENTON** – **The State Board of Medical Examiners** in May announced it had publicly disciplined three doctors who did not disclose their personal financial interests in the success of a medical device while they participated in clinical trials of the device.

The Board reprimanded Drs. Richard A. Balderston, Thomas J. Errico, and Jeffrey A. Goldstein for committing professional misconduct by not disclosing to their research institutions their financial interests in the ProDisc spinal disc device. The doctors received payments tied to certain milestones including FDA approval achieved in the clinical study.

"Impartial and objective diagnoses and treatment recommendations are essential to maintaining the public's trust in their doctors. The undisclosed conflicts of interest on the part of these doctors undercut public trust in the medical profession. The Board has acted to maintain the integrity and high ethical standards that the public rightfully expects from their doctors," Attorney General Paula T. Dow said.

The Board ordered each physician to complete a medical ethics course. It assessed civil penalties, plus cost reimbursements, against Errico and Goldstein. ■

### New Charities List Announced

**NEWARK** – In its ongoing effort to encourage consumers to investigate before you donate, the New Jersey Division of Consumer Affairs in May released its second bimonthly list of *New Jersey's Top 10 Most Inquired-About Charities*.

Potential donors may not be aware that certain organizations spend the bulk of donated dollars on fundraising efforts and dedicate relatively little to charitable pursuits.

"By shedding light on how charities are spending the money they collect, we're empowering consumers to make better-informed donation decisions," said Thomas R. Calcagni, Acting Director of the Division of Consumer Affairs.

The report is drawn from consumers' calls to the Division's Charities Registration Hotline, 973-504-6215, and provides information on the 10 charities most often asked about by consumers in March and April. The high number of inquiries may indicate the charity solicited donations or held a campaign drive during those months.

The Top 10 Most Inquired-About Charities list can be found at:

[www.NJConsumerAffairs.gov/charity/chardir.htm](http://www.NJConsumerAffairs.gov/charity/chardir.htm)

**Jeff Lamm** ▶ Editor/Writer

**Neal Buccino** ▶ Writer

**Peter Ciamboli** ▶  
Graphic Design/Photography

**David A. Bass** ▶ Copy Editor



**800-242-5846 ■ [www.NJConsumerAffairs.gov](http://www.NJConsumerAffairs.gov)**

▶ Click here to Subscribe/Unsubscribe to the newsletter